



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

FOR IMMEDIATE RELEASE

October 9, 2008

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HIGH-SPEED TRAIN SERVICE OFFERS BOOST TO INLAND EMPIRE Economic Study Estimates \$2 Billion Annual Contribution to Local Economy, 20,000 More Jobs

California's proposed high-speed train system would help create nearly 20,000 jobs in the Inland Empire by 2030, and from then annually generate more than \$700 million in wages/salaries plus contribute more than \$2 billion a year to the economy, according to a new study by economist Dr. John Husing.

Dr. Husing's just-completed *High Speed Train System: Inland Empire Impact Study* of the effects of a high-speed train system on the region also found that the workers in Riverside and San Bernardino Counties who use the high-speed train system would become more efficient through greater travel reliability, less time spent in traffic and lower annual travel costs of up to \$20,000 per person.

These findings and others show the potential local impact of Proposition 1A, the High-Speed Train Bond Act, on the November ballot. The proposition would provide \$9 billion in bond funds to start construction of a new high-speed train network for congestion-weary Californians. The train network eventually will extend nearly 800 miles between San Francisco, Sacramento and San Diego, with stations in Ontario, Riverside and Murrieta.

"The Inland Empire clearly will benefit from high-speed train service by making its workforce and businesses more productive by reducing their travel costs and time spent sitting on crowded freeways," said Judge Quentin L. Kopp, chairman of the California High-Speed Rail Authority. "An exciting by-product for the Inland Empire is that high-speed trains will make Los Angeles-Ontario Airport more efficient and help reduce the job-population imbalance in the Murrieta/Temecula areas," he added.

Dr. Husing's study concludes that high-speed train service would help consumers and businesses save time and money and make the Inland Empire more competitive and profitable.

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“Like any major addition to the region’s infrastructure, the inauguration of the high-speed train system would change the competitive dynamics of the inland area, making it profitable for some sectors to expand, adding both new businesses and increased employment,” Dr. Husing said. “Those changes would translate into greater output, earnings and local governmental revenue for the Inland Empire economy.”

The study finds that high-speed train riders can realize significant cost and time savings compared to traveling by automobile. For example, riders between Ontario and Los Angeles can save up to \$6,400 per year, riders between Riverside and Los Angeles can save up to \$10,900 per year, and riders between Murrieta and San Diego can save up to \$11,500 per year. These savings were calculated using estimated high-speed train fares and parking fees compared to gasoline costs of \$3.75 per gallon, vehicle wear and tear at 66% of fuel costs, parking at \$7.50 per day, and time costs at \$19.33 per hour for average Inland Empire wages for train riders who commute daily, 50 weeks per year.

Dr. Husing reported that by 2030, the system would support 19,200 new jobs and annually generate \$711.9 million in added wages and salaries in 2008 dollars. These increases would, in turn, cause the Inland Empire’s economy activity to be \$2.15 billion a year stronger and deliver \$101.6 million a year in additional local taxes to the area’s local governments.

The study also found that high-speed trains would improve the efficiency of LA-Ontario International Airport by allowing the airport to serve a dual function as a train station and an air passenger terminal. The train service could make the airport an attractive alternative for San Diego-based travelers and increase demand for long-distance flights.

In addition, high-speed trains could stimulate business growth and transit-oriented development near train stations and boost job growth in the Murrieta/Temecula area by attracting more business development from the San Diego area.

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